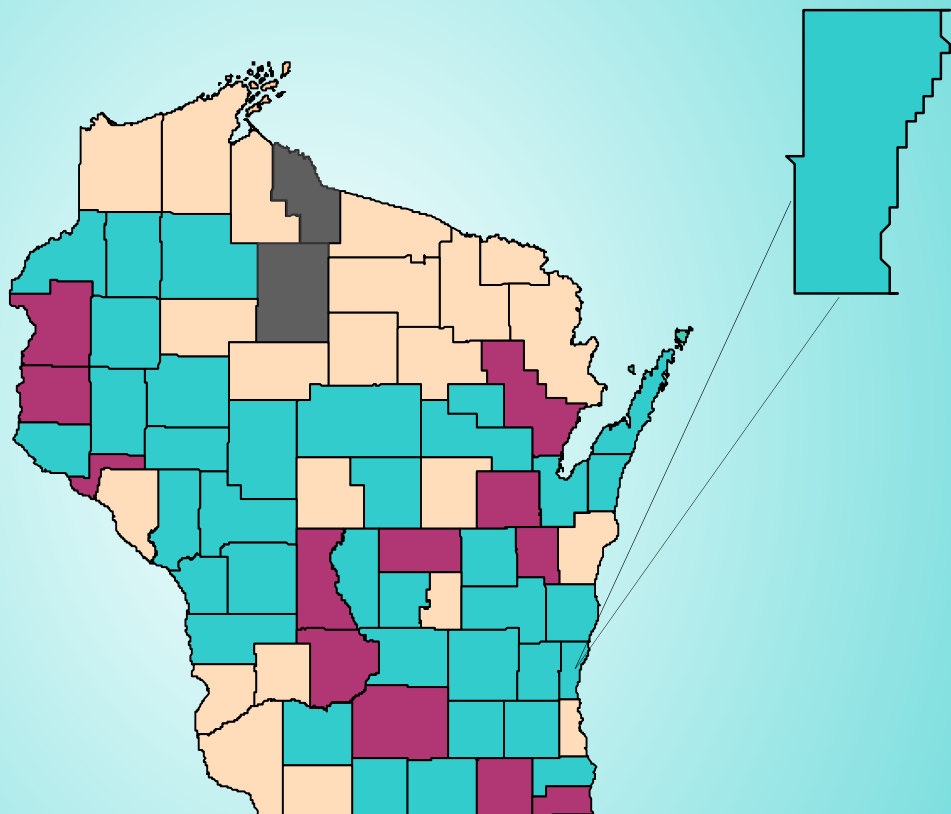


Ozaukee County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



County Population

Ozaukee County, along with Pepin County, are Wisconsin's two geographically smallest counties at 232 square miles, each. In terms of population, Ozaukee separates itself from Pepin as a larger base of people, almost 84,000 residents compared to about 7,500 for Pepin. By comparison, Ozaukee is a densely populated county at 362 residents per square mile, which is about 3.5 times higher than the statewide density figure. To put this in another perspective, if Ozaukee were an average sized county in Wisconsin at about 754 square miles with the same population density, it would have about 273,000 residents and would be the fourth most populous county in the state. The fact remains that its largest community is just a bit over 23,000 residents.

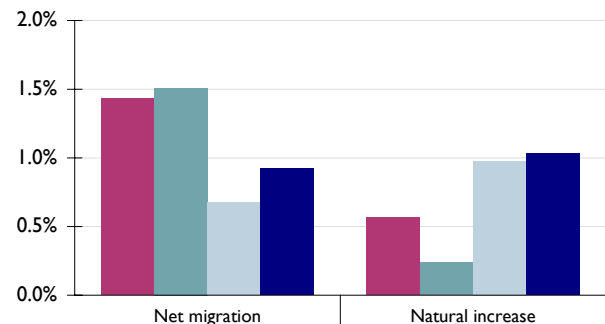
Twenty months after the 2000 census population figures were released Ozaukee County's population has increased two percent or 1,647 residents with the cities and towns along Interstate 43 growing faster than county average. In this short span of time 71 percent of Ozaukee's new population has come via in-migration and the remaining by natural increase. Ozaukee County is a metropolitan county, yet this pattern of growth is more reflective of a non-metropolitan county with growth so heavily weighted to those who have moved to Ozaukee rather than being born in it.

Two percent growth in 20 months sets a pace of 12 percent population growth from 2000 to 2010. But demographers at Wisconsin's Department of

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Ozaukee County	82,317	83,964	2.0%
Largest Municipalities			
Mequon, City	22,643	23,121	2.1%
Cedarburg, City	11,102	11,252	1.4%
Grafton, Village	10,464	10,878	4.0%
Port Washington, City	10,467	10,575	1.0%
Cedarburg, Town	5,550	5,671	2.2%
Saukville, Village	4,068	4,107	1.0%
Grafton, Town	3,980	4,050	1.8%
Thiensville, Village	3,254	3,247	-0.2%
Fredonia, Town	2,083	2,098	0.7%
Fredonia, Village	1,934	2,016	4.2%

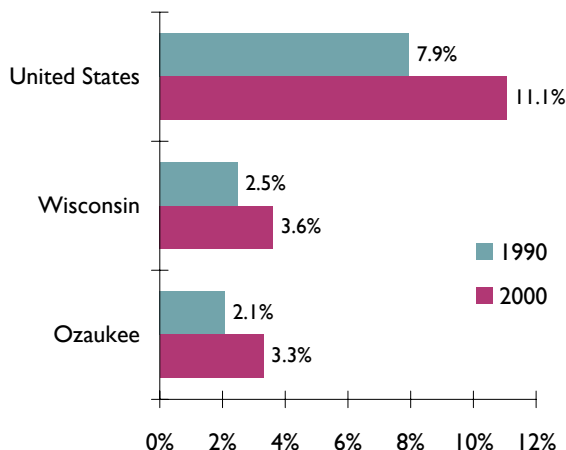
Net migration and natural increase



Ozaukee Co.	1.43%	0.57%
Non-metro WI	1.51%	0.24%
Metropolitan WI	0.67%	0.98%
United States	0.92%	1.03%

Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

Share of Foreign-born Residents



Administration do not see this rate of growth continuing for much longer and the current 12 percent pace of growth to 2010 is actually their projection for Ozaukee County from 2000 to 2020. This projection is close to half the rate of growth over the previously measured 20-year period, 1980-2000.

Slower population growth is not unique to Ozaukee County or Wisconsin or even the United States

(Continued on page 2)

Ozaukee County Workforce Profile

Population Projections by Age Groups in Ozaukee County

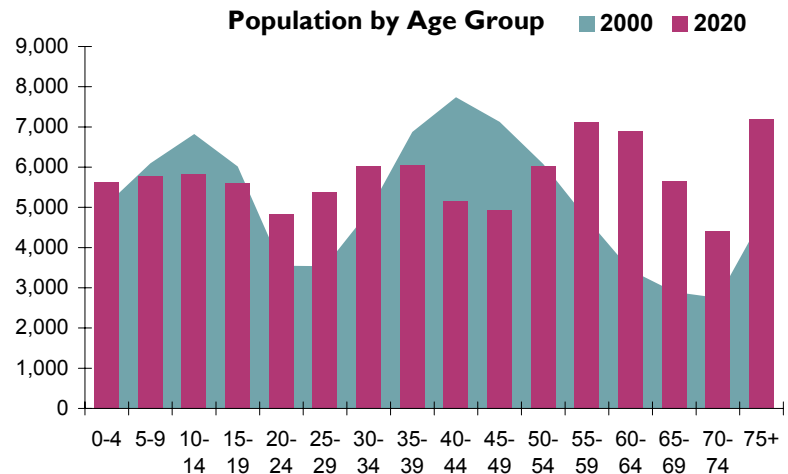
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	2,562	3,112	3,606	3,148	1,847	1,752	2,360	3,331	3,797	3,527	3,057	2,326	1,696	1,391	1,265	1,815
Female	2,507	2,984	3,219	2,866	1,704	1,786	2,537	3,543	3,943	3,600	3,023	2,387	1,740	1,506	1,486	2,894
2005																
Male	2,390	2,983	3,360	3,549	2,417	1,902	1,879	2,629	3,598	3,906	3,475	2,901	2,112	1,507	1,192	2,147
Female	2,291	2,923	3,231	3,139	2,236	1,869	1,988	2,849	3,758	3,964	3,503	2,868	2,225	1,593	1,395	3,268
2010																
Male	2,465	2,709	3,175	3,317	2,735	2,495	2,054	2,118	2,875	3,733	3,866	3,314	2,651	1,890	1,304	2,327
Female	2,365	2,607	3,121	3,156	2,454	2,437	2,097	2,264	3,055	3,793	3,865	3,330	2,681	2,041	1,481	3,463
2015																
Male	2,653	2,772	2,892	3,151	2,573	2,843	2,686	2,326	2,334	3,006	3,718	3,711	3,051	2,393	1,652	2,547
Female	2,550	2,673	2,795	3,053	2,472	2,682	2,695	2,393	2,442	3,093	3,705	3,682	3,121	2,467	1,903	3,658
2020																
Male	2,874	2,936	2,962	2,875	2,449	2,678	3,058	3,018	2,569	2,451	3,003	3,579	3,429	2,767	2,105	3,009
Female	2,754	2,841	2,868	2,736	2,393	2,708	2,958	3,038	2,586	2,477	3,024	3,534	3,457	2,879	2,306	4,175

Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

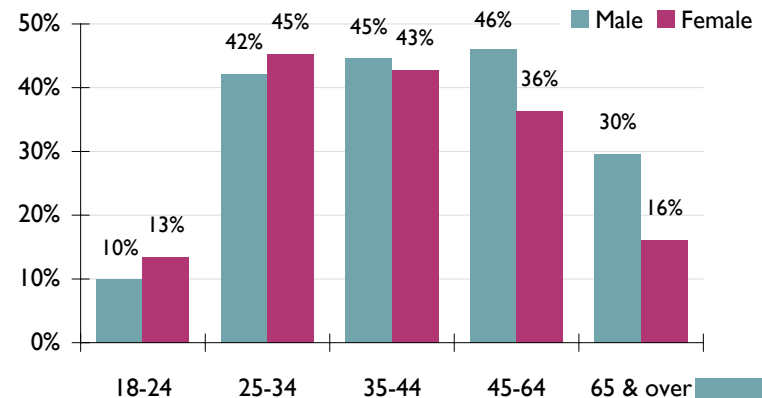
for that matter. It is an outcome of an aging population.

As the population is projected to grow 12 percent it will not do so uniformly in all of the age groups. The graph to the immediate right displays the population age composition in 2000 and 2020. The reader will notice that population distribution in 2020 does not have the same disparate peaks and valleys compared to the 2000 age groups, and in the face of an aging population, it nevertheless does show growth in the cohorts between 20 and 34 years of age. But the lack of apparent disparities between the graphed cohorts belies the fact that those under the age of 30 will only increase by six percent, those between 30 and 49 years will decrease by 17 percent and those 50 years and over will increase by 53 percent in this 20 year period.

These percent changes are only one view of the future population dynamics. When one looks at population distribution in 2000 and 2020 those 30 years and under will compose 35 percent of the county's population (37 percent in 2000). Those between 30 and 49 years will compose 23 percent of population (32 percent in 2000) and those 50 and older will compose the largest segment of population at 42 percent (31 percent in 2000). The population between 60-70 years of age will essentially double from present levels. These demographics will affect Ozaukee's labor force and its ability to fill key occupations.



Percent of age group with at least a Bachelor's degree in Ozaukee County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force is the sum of a location's employed and unemployed. Participants must be 16 years of age and the unemployed must be actively looking for work to be counted. The most popular metric that comes from the labor force is the unemployment rate, which is the percentage of unemployed of the total labor force.

Ozaukee County has shown some of the lowest unemployment rates in Wisconsin. The civilian labor force data on the next page show that the total labor force expanded by 442 total participants from 1997 to 2002 or growth of just under one percent. But the reader will also notice that the unemployment rate increased from 2.1 percent in 1997 to 4.1 percent in the same period. The reason for this movement without larger labor force growth is due to the fact that the number of employed Ozaukee residents declined by 1.2 percent or 561 employed, while the number of unemployed doubled creating only a small net gain in labor force. The hike in the number of unemployed is tied to the slumps in the greater Milwaukee area economy. The decline of those employed are somewhat tied both economically and demographically.

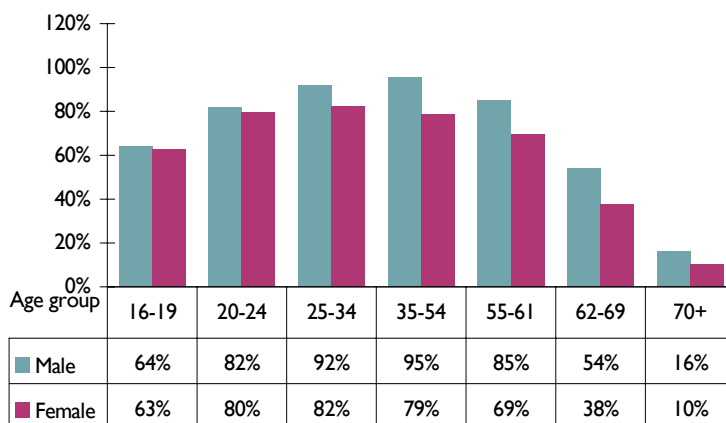
To make one point clear, a decline in the number employed does not always point to an increase in the unemployed. Ozaukee has seen its number of unemployed increase and the employed have decreased, but there is a demographic reason for this as many of the formerly employed have probably left the labor force altogether and have not impacted more the number of unemployed or unemployment rate. Many are retirees, which is not surprising given the age makeup of the county.

A useful metric of the labor force is the labor force participation rate (LFPR). The LFPR measures how many of those over the age of 16 are active in the labor force, either as employed or unemployed. Ozaukee County's LFPR in 2002 was 76.1 percent, which was higher than both the state and national rates of 73.0 and 66.6 percent, respectively.

Ozaukee is known for a high LFPR especially among those in their prime working years and the fact remains that Ozaukee LFPR exceeds state levels in virtually every age category. It is presumed that in the future Ozaukee will remain above state average LFPR though the labor force and LFPR, will

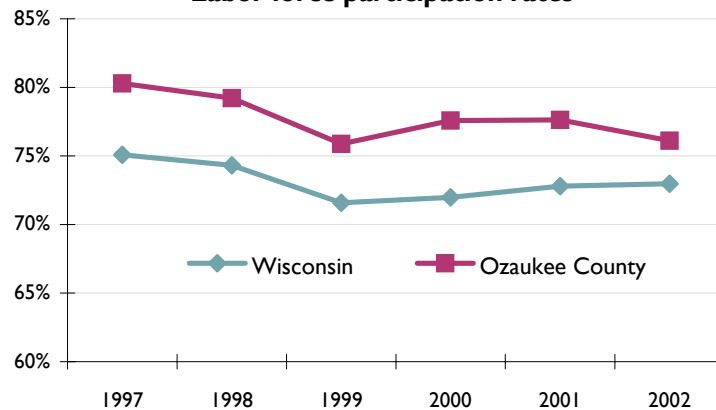
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Ozaukee Labor Force Participation by Age & Sex in 2000



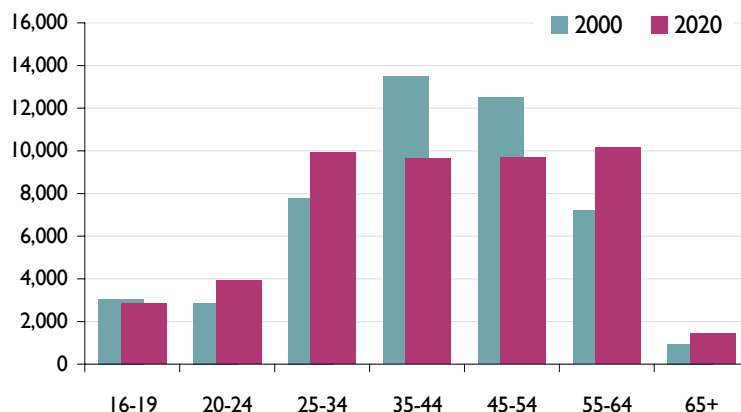
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Ozaukee County

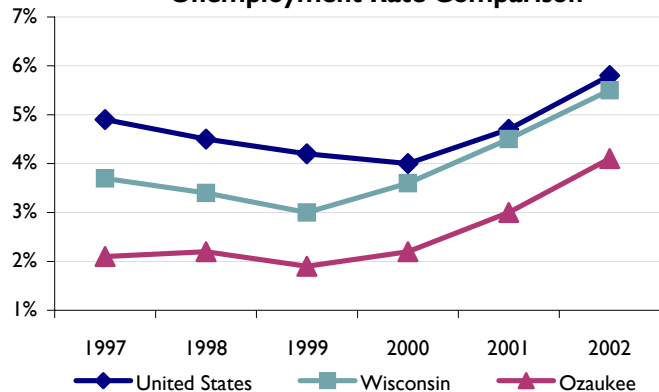


Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Ozaukee County Workforce Profile

likely decline from their present levels. Assuming the present LFPR maintains, which frankly, is unlikely, the total labor force will increase by nine percent from year 2000 to 2020, compared to a population increase of 17 percent of those 16 and older. Those older than 55 years of age will compose 27 percent of the labor force compared to 18 percent in 2000. The projected labor force composition seems to have more balance among the prime working year ages of 25 to 54 years than in 2000. The scenario is a best guess and there is no way to absolutely know now if the future's older population will stay in the labor force any longer, same or shorter than they do presently.

Unemployment Rate Comparison



Ozaukee County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	48,089	48,468	48,018	47,934	49,022	48,531
Employed	47,084	47,414	47,116	46,872	47,531	46,523
Unemployed	1,005	1,054	902	1,062	1,491	2,008
Unemployment Rate	2.1%	2.2%	1.9%	2.2%	3.0%	4.1%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Occupational information requests outnumber every other labor market information customer request. This is due to the fact that all parties involved in the labor transaction—employers and jobseekers—are keenly interested in career direction, education and training requirements, and importantly, wages associated with careers.

The table to the right examines the fastest growing occupations in the WOW region (Washington, Ozaukee and Waukesha Counties) and occupations that will have the most openings between 2000 and 2010 and the occupations' average hourly wages in 2001.

The distinctions between the fastest growing and those with most openings are obvious; wages and educational requirements are quite different. Occupations with the most openings tend to be entry-level needing less educational requirement or training and may have higher turnover as people move up career ladders. Occupations that are growing quickly may not necessarily grow abundantly. They are pervasive in technical fields and most require some form of post-high school training or formal education. The wage premium for higher educational attainment is evident in this example and is exemplary of changing labor demand.

WOW Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Support Specialists	Associate degree	\$19.81
	Computer Soft Engrs Sysms Soft	Bachelor's degree	\$29.63
	Computer Software Engrs Apps	Bachelor's degree	\$31.26
	Network Sysms/Data Comm Anal	Bachelor's degree	\$25.22
	Network/Computer Systems Admin	Bachelor's degree	\$25.88
	Personal and Home Care Aides	1-month or less training	\$8.88
	Medical Records/Health Info Techs	Associate degree	\$11.44
	Computer Specialists/All Other	Postsecondary voc. trng	\$27.99
	Medical Assts	1-12 mo. on-the-job training	\$13.86
	Social/Human Service Assts	1-12 mo. on-the-job training	\$13.70
Most Openings	Retail Salespersons	1-month or less training	\$10.09
	Cashiers	1-month or less training	\$7.61
	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$8.08
	Waiters/Waitresses	1-month or less training	\$6.38
	Labrs/Frght/Stock/Matrl Movers/Hand	1-month or less training	\$11.05
	Office Clerks/General	1-month or less training	\$10.99
	Stock Clerks/Order Fillers	1-month or less training	\$9.52
	Customer Service Reps	1-12 mo. on-the-job training	\$15.31
	Registered Nurses	Bachelor's degree	\$23.32
	Janitors/Cleanrs Ex Maids/Hskpng	1-month or less training	\$10.94

* The most common way to enter the occupation, not the only way

** Wages from Occupation Employment Statistics survey responses for region, 2001

WOW WDA includes Ozaukee, Washington and Waukesha counties.

Source: WI DWD, Bureau of Workforce Information, 2002

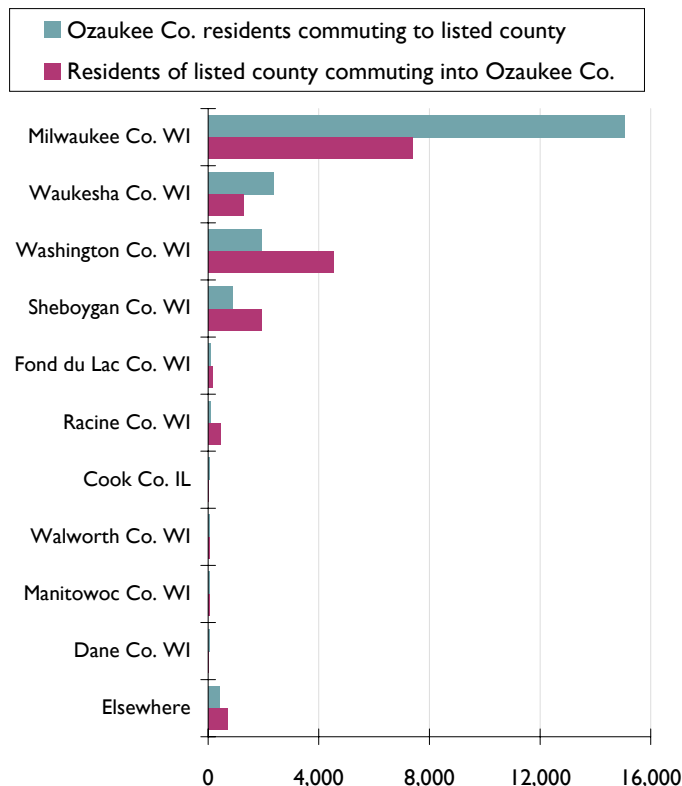
County Commuting Patterns

This topic is arguably one of the more underrated yet highly anticipated pieces of labor market information. It is key information when profiling a local economy. These data are created every 10 years by the U.S. Bureau of Census, but may be surveyed annually via the American Community Survey, which is a new approach the bureau is undertaking to meas-

ure the U.S. population between the decennial censuses.

Commuting juxtaposes two simple questions: "where do you live?" and "where do you work?". Ozaukee's overall commuting scene shows that a almost half (48 percent) of its workers commute to another county for work. This is a high percentage of commuting compared to the state average, yet it is not surprising as Ozaukee County has in many ways maintained a reputation as a bedroom community for the Milwaukee-Waukesha MSA.

Ozaukee shows an overall net commute that is negative (-4,418 workers), which means that it sends out more workers than it brings in. The majority of out-commuters go to Milwaukee and Waukesha Counties. This makes sense since the majority of the metro area's jobs are in these counties. Ozaukee is a fairly job-rich county, and this fact is a bit overshadowed by its dramatic out commute to Milwaukee and Waukesha Counties. Ozaukee has the charm of a bedroom community for many out-county workers, but there is no doubt that Ozaukee employers have a gravity of their own to those from other counties. Ozaukee County, though a smaller sized county, has its share of large employers and employers in high-paying industries such as manufacturing. It shows a positive net commute with Washington and Sheboygan Counties attracting well over twice as many people from these counties as it sends there.



	Ozaukee Co. residents commuting to listed county	Residents of listed county commuting into Ozaukee Co.	Net gain or loss of workers
Milwaukee Co. WI	15,057	7,411	-7,646
Waukesha Co. WI	2,360	1,297	-1,063
Washington Co. WI	1,934	4,545	2,611
Sheboygan Co. WI	896	1,931	1,035
Fond du Lac Co. WI	90	180	90
Racine Co. WI	76	445	369
Cook Co. IL	71	23	-48
Walworth Co. WI	65	49	-16
Manitowoc Co. WI	59	64	5
Dane Co. WI	54	19	-35
Elsewhere	413	693	280

Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files



Industry Employment -

Introducing NAICS (North American Industry Classification System)

The North American Industry Classification System (NAICS) is a new way of categorizing employers by industry as of 2002. It replaces the old system known as Standard Industrial Classification (SIC).

A tome could be written explaining why the change and what the differences are. For the sake of brevity, NAICS was introduced to reflect a changing economy (new and evolving industries) and to include all three North American countries in a uniform coding system.

NAICS gives more industry detail reflecting industries that are more contemporary than its coding

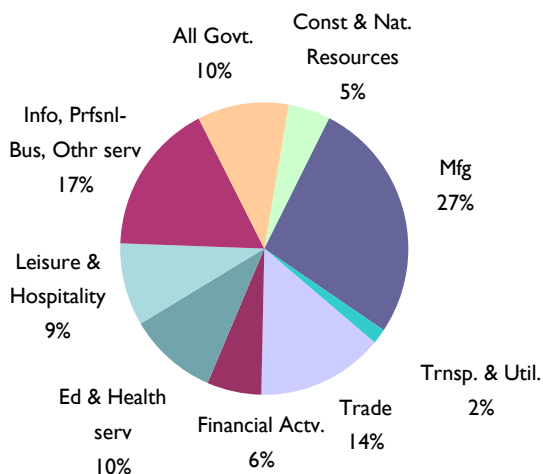
predecessor. SIC and NAICS data cannot be compared to one another even if the industries share the same or similar name. The new coding system is so different that one cannot assume that data retrieved are similar for comparison. The table at the bottom of the page shows the 2002 industry composition for Ozaukee County in present and former coding systems. *Note: data in the NAICS format is only available for years 2001 and 2002 at the time of publication. It is hoped that data retroactively coded back to 1990 will be available in 2004 so readers can see how these industry sectors have changed.*

Ozaukee County has its similarities and differences via industry employment distribution compared to state averages. Ozaukee has the same percentage of employment as the state in financial activities; leisure and hospitality; and construction and natural resources employment. It is higher in information, professional, business and other services and is considerably higher in manufacturing employment (27% compared to 18%). It is lower in percentage in transportation and utilities; trade; education and health services; and government employment.

Manufacturing and information, professional, business and other services are Ozaukee's two largest employment sectors, which comprise about 44 percent of the county's total employment. These top sectors are composed of many industries and employers on the

(Continued on page 7)

Ozaukee County Industry Distribution: 2002



2002 Industry Employment in Ozaukee County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	1,809	5%	Construction & Mining	4%
Manufacturing	10,634	27%	Manufacturing	29%
Transportation, warehousing & utilities	732	2%	Transportation, utilities & communication	2%
Trade (wholesale & retail)	5,583	14%	Wholesale trade	4%
			Retail trade	18%
Financial activities	2,370	6%	Finance, insurance & real estate	5%
Information, professional & business services, other services	6,618	17%	Services & misc (incl. agr, forestry, fishing)	26%
Education and health services	3,925	10%	Government	10%
Leisure & hospitality	3,637	9%		
Government	4,076	10%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Ozaukee County Workforce Profile

top ten lists on the next page. Ozaukee's top employing industry is machinery manufacturing with close to 2,800 employees in March 2003. It is a bit of a rarity to see a durable goods manufacturing industry as the top employing industry in Wisconsin given the current economic situation, vis a vis manufacturing.

The top ten employers reflect the dominance of just a few industries. Manufacturers are in abundance along with a temporary work personnel agency that helps

supply labor to various manufacturers and companies in other industries in Ozaukee County and surrounding counties. Though educational and health services industry employment is not at state average levels in Ozaukee County, these industries are nonetheless represented well by large employers. Educational services, broken away from education and health services sector is probably at or above state average ratios of employment.

Top 10 Industry Groups in Ozaukee County

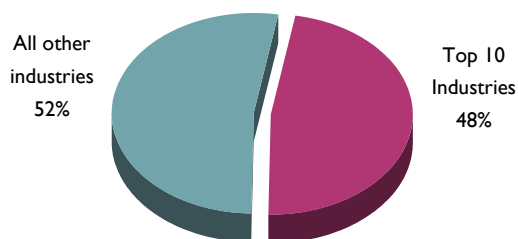
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Machinery Manufacturing	44	2,803	52
Educational Services	25	2,796	26
Food Services and Drinking Places	128	2,657	96
Administrative and Support Services	121	1,916	-69
Professional and Technical Services	261	1,712	58
Fabricated Metal Product Manufacturing	49	1,627	-87
Executive, Legislative, & Gen Government	15	1,522	52
Primary Metal Manufacturing	7	1,391	-3
Electrical Equipment and Appliances	11	1,169	-177
Specialty Trade Contractors	163	1,130	-55

*data suppressed to maintain confidentiality

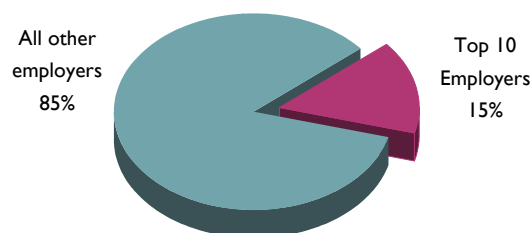
Top 10 Private Employers in Ozaukee County

Company	Product or Service	Size
Seek, Inc.	Temporary help services	1000 +
Columbia St. Mary's Group	General medical & surgical hospitals	500-999
Rockwell Automation, Inc.	Relay and industrial control manufacturing	500-999
Concordia University Wisconsin, Inc.	Colleges, universities, and professional schools	500-999
Leggett & Platt, Inc.	Aluminum die-casting foundries	500-999
Charter Mfg. Co, Inc.	Corporate, subsidiary, and regional managing offices	500-999
Simplicity Mfg., Inc.	Lawn & garden equip. manuf.	250-499
Trak International, Inc.	Construction machinery manufacturing	250-499
Tecumseh Power Co.	Other engine equip. manufacturing	250-499
Allen Edmonds Shoe Corp.	All other misc. wood product manufacturing	250-499

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Ozaukee County Workforce Profile

The table to the right shows the average wage paid by industry in Ozaukee County and compares it to the state average. As expected of a nonmetropolitan county, it pays lower than state average in the majority of industries with the exception of the leisure and hospitality sector.

The graph below takes this a step farther and illustrates the comparative importance of industry employment levels to the total wages these sectors pay in Ozaukee County. An example of how to read this graph is that manufacturing employment composes about 27 percent of the county's employment, but pays about 35 percent of the county's total wages earned, putting a premium on this employment for its disproportionately high wages. On the other hand, leisure and hospitality employment shows the opposite effect with a higher employment ratio (10 percent) than wages paid in the county (three percent). This is due to the fact that much of leisure and

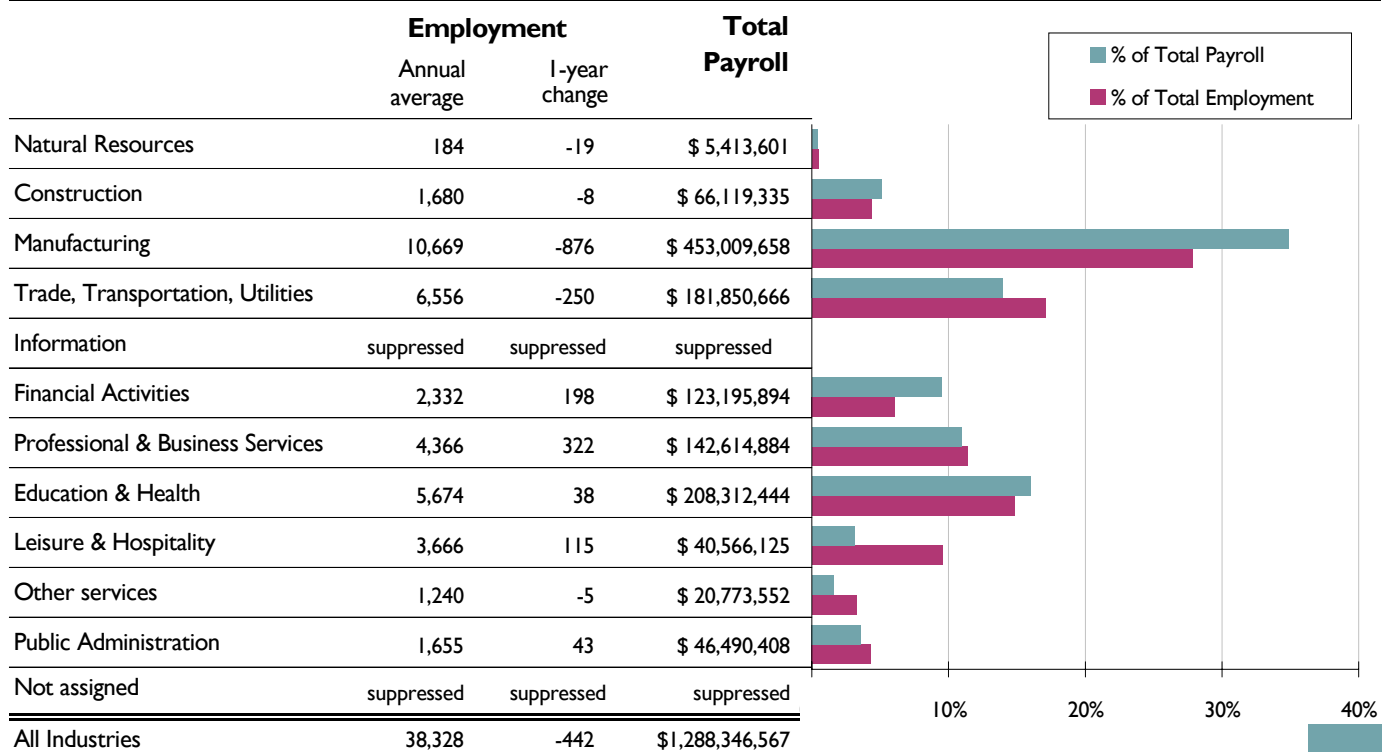
Average Annual Wage by Industry Division in 2002

	Average Annual Wage Wisconsin	Average Annual Wage Ozaukee County	Percent of Wisconsin	1-year % change
All Industries	\$ 32,422	\$ 33,930	105%	2.4%
Natural resources	\$ 25,481	\$ 29,422	115%	11.2%
Construction	\$ 39,649	\$ 39,357	99%	2.4%
Manufacturing	\$ 40,584	\$ 42,460	105%	5.9%
Trade, Transportation, Utilities	\$ 28,422	\$ 27,738	98%	1.0%
Information	\$ 38,871	suppressed	suppressed	suppressed
Financial activities	\$ 40,337	\$ 52,828	131%	-6.0%
Professional & Business Services	\$ 36,324	\$ 32,665	90%	2.9%
Education & Health	\$ 33,768	\$ 36,714	109%	2.9%
Leisure & Hospitality	\$ 11,837	\$ 11,066	93%	0.6%
Other services	\$ 19,500	\$ 16,753	86%	1.5%
Public Administration	\$ 33,769	\$ 28,091	83%	4.1%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

hospitality employment is entry-level, part-time and seasonal in nature. Manufacturing wages are higher on average due to more hours worked, the presence of collective bargaining agreements and longer job tenures that are not so pervasive in entry-level pay scales. Data for the information sector did not meet minimum release thresholds and were suppressed.

2002 Employment and Wage Distribution by Industry in Ozaukee County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income (PCPI)

PCPI is typically the most popular and accepted indicator of economic health of an area's population. It is defined as an area's total income divided by its total population. Income is composed of earnings from work, dividends and interest from equities or other holdings and from transfer payments, which are government payments for various reasons.

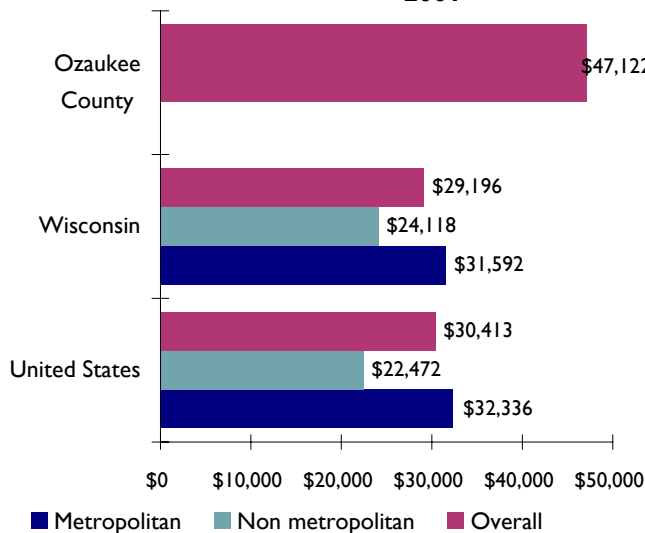
Ozaukee County's PCPI ranks the highest of Wisconsin's 72 counties. It is 61 percent higher than the state-wide average and its growth over the last five years has been considerably faster than the state and national rates of growth.

A higher than average proportion of Ozaukee residents' income is derived from dividends and interest payments and such as seen in the components of total personal income graph to the bottom right. This probably speaks to the wage levels that are earned by Ozaukee residents. Their overall wage levels are high enough to allow a higher rate of investment of discretionary income and, in turn, receive returns on this investment in the form of additional income. The boom years in the equity markets of the late 1990's are probably responsible for the higher acceleration of PCPI relative to the state and national average.

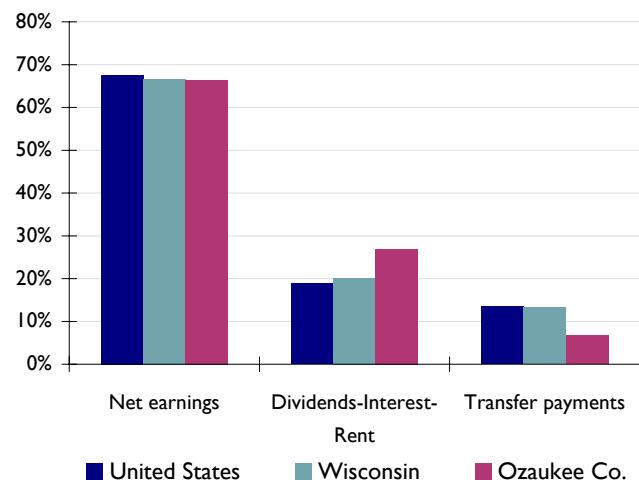
Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Ozaukee County	\$35,030	\$37,660	\$40,759	\$43,149	\$45,839	\$47,122	2.8%	34.5%

2001



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

Profile author:

Eric.Grosso@dwd.state.wi.us